

Congress of the United States

Washington, DC 20515

October 24, 2005

The Honorable Dennis Hastert
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Hastert and Leader Pelosi:

The Milk Income Loss Contract (MILC) program, which since its inception has served as a vitally important safety net to our nation's dairy farmers, expired on September 30th. If the MILC program is allowed to permanently lapse, the survival of thousands of family dairy farms throughout the United States will be subject to the unpredictable price that characterizes the volatile dairy market. In order to provide our nation's family dairy farms with much-needed price stability, we urge you to actively pursue an extension of the MILC program on any available legislative vehicle.

The MILC program was created as part of the 2002 Farm Bill to provide supplemental payments to dairy farmers when the market price falls below a statutory trigger. The program has provided timely and crucial payments to producers, particularly when prices were low in 2002 and 2003. Recently, the strong price of milk has negated any need for support payments. However, economists warn that farm milk prices are likely to fall next year. Unless Congress takes action, dairy farmers will be left to struggle for survival without this important safety net.

In 2004, while campaigning in Wisconsin, President Bush expressed his support for extending the MILC program to the next Farm Bill. Furthermore, the President's FY2006 budget includes such an extension. Please bear in mind that the MILC program is a carefully crafted alternative to the Congressional deadlock that developed around the issue of regional dairy programs. In order to avoid a return to the regional dairy battles that characterized the Congressional dairy debate prior to MILC, we believe that Congress should act decisively to extend the MILC program.

Therefore, we request that you actively pursue an extension of the MILC program to authorize it through the completion of the 2007 Farm Bill. We are aware that the Congress has many important issues to consider before it adjourns, which should mean that an appropriate legislative vehicle can be found to include a MILC extension.

We look forward to working with you to protect America's hardworking family dairy farmers.

Sincerely,

Don Nunn
Pat O'By

John
Ron Kind

Tammy Baldwin

Phil Engler

Tim Holden

Michael R. McNulty

Paul E. Kanjorski

John E. Chabot

Feta King

Melissa A. Hart

Pat H

John W. Lee Hughes

John Emery

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W. Dennis Dandridge

Bill Shuster

Fred R. Platts

Ben Hise

Jim McGovern

Nancy L. Johnson

Tom Allen

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Bob Gifford

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William Jenkins

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Tom Gell

Pete T. Keady

Charles W. Dent

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Tom Pate

Mr. Lunnbeam

James Oberstar

John Walsh

Max B. Baucus

Sen. Rahall

Max Baucus

Martin D. Sabo

Chris E. Heath

Sen. Kelly

Tim W. Simmons

John E. Anderson

Rosa C. J. Lamm

Rep. C. Pate